

(UNCLASSIFIED)

DEPARTMENT OF THE NAVY
OFFICE OF THE CHIEF OF NAVAL OPERATIONS
WASHINGTON 25, D. C.

MI

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THE GRANDUM OF INFORMATION

Subj: Berlin Situation

b. The Special USIB Sub-committee on the Berlin Situation, Special Report dated 6 March 1961, concludes that:

a. We are still in an interim period during which the USSR is intent on reaching an assessment of the new US administration and the possibilities of negotiating with the West on major issues. Therefore, the USSR is unlikely to increase tensions over Berlin at this time. However, should the Soviet leaders at any time during this period calculate that additional pressure would bring the West more quickly to high-level negotiations with the USSR, they may increase the threat of unilateral action in an effort to expedite talks.

b. The Soviet memorandum of 17 February to Bonn, published by the IFSR on 4 March, was intended to remind the West that the USSR still insists on an early solution of the Berlin situation through negotiations. The memorandum reinforced Khrushchev's earlier private assertions that the USSR could not agree to postponing discussions beyond the West German elections set for this September.

c. The East Germans have somewhat relaxed their implementation of controls of the Berlin intersector boundary without altering their claims of sovereignty in this regard.

d. While maintaining trade with the West at the level of previous years, East Germany has initiated some of the long range moves necessary to make its economy independent of Western imports and thereby deprive the West of this leverage in future negotiations over Berlin.

FOR INFORMATION TO:

SECNAV _____

NAVAL AIDE _____

ADMIN AIDE _____

MARCORPS AIDE _____

AIDE & SPEC AST _____

SPEC AST (FUB AFF) _____

AST (OFF MSGT) _____

AST FOR ADMIN *OKAY*

S. B. Granule

S. B. FRANKEL

Deputy, Director of Naval Intelligence

SecNav Cont. No. S-412

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